

Advisory Notice

Clearing House

FA 06-02

TO: All CME Exchange Fee System (EFS) Users

FROM: Clearing House Department

SUBJECT: **Account File Transmission**

DATE: November 13, 2006

At the CME, **C**ustomers **M**ean **E**verything and we are committed to delivering an outstanding customer service experience in each and every interaction that we have with our end user community. Continuing to uphold this promise, we are pleased to announce a new feature within CME's Exchange Fee System that will assist fee administrators with their reconciliation process.

Effective January 3, 2007, the Fee System will have an API (***Feed of Accounts***) that will allow firms to send a feed to the Exchange to process their account information. This new feature will be an alternative to utilizing the current online application. This feature is strictly optional, but these enhancements will be available to firms for immediate use.

The general concept of the account transmission is to automate the transfer of member-owned and incentive program participant accounts from Clearing Firms' bookkeeping systems to the CME. Firms will be required to provide the primary owner of the account along with any other additional member owners and/or controllers.

The expected benefits of this feature are to reduce issues associated with lack of proper account registration and the subsequent resubmission of trades through the online application. This feature will also reduce online account maintenance, as it will allow for multiple additions, changes and/or deletions, all at once. Firm administrators would no longer have to make separate modifications.

To ensure we are meeting your needs, CME is ready to begin testing with any interested firm. This is your opportunity to familiarize yourself with this new feature prior to its official launch. Certification testing will still be available after launch as well.

Details of the account transmission process are listed below. To start testing with CME's Fee Support Team or if you have any additional questions, please contact the Fee Support Hotline at 312-648-5470 or efsadmin@cme.com.

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Step 1: Outbound File/Back Office Reconciliation

In order to associate the account owners and/or controllers, Firms and Service Bureaus who manage firm processing, will need to process CME membership data so that John Doe in the CME world corresponds to John Doe in the back-office systems. This data will be available on daily basis, containing the most recent CME membership information necessary to do the account associations.

CME will also be providing all registered accounts within the CME Exchange Fee System application for an individual firm to denote any differences with what's listed in their back-office systems. This data will also be available on a daily basis containing the most recent account information.

All of the daily information noted above will be located in one file on CME's FTP server; please refer to the data file schema example below:

In '/cme/ftp/XXX/Outgoing' → FXXX.CMEDATA.DFOA (Account, Organization & Trader Data)

Note: "XXX" represents the Firm's ID

Step 2: Inbound File/Account Information

On a daily, weekly or monthly basis, firms may transmit adds, changes, and/or deletes for some or all member accounts to the CME in the specified Account layout. Account transmissions need to be sent to CME's FTP server; please refer to the data file schema example below:

In '/cme/ftp/XXX/Incoming' → FXXX.FOADATA.FACCT - (Account, Owner & Controller Data)

Note: "XXX" represents the Firm's ID

Step 3: Online View of File Transmissions

To ensure that the account transmission sent to the CME reflects the expected changes, fee administrators will have an opportunity to review the transmission via the Exchange Fee System, to denote what accounts will be accepted as modified and/or what accounts were transmitted incorrectly and should be rejected.

This online view will be available through the Account Maintenance menu. Transmissions will not be applied within CME's fee system until the fee administrator reviews the output of the transmission. If satisfied with the output, then firms must select the "Accept" option via this screen for the changes to be applied. Upon acceptance, accounts will be stored within the regular Account Maintenance screen and trades associated with the accepted accounts will be resubmitted for the open adjustment period (current month-to-date plus prior two months) for recalculation. Firms will also have the ability to reject accounts via the online as well, if the information transmitted was believe to be incorrect.

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Step 4: Rejected Transactions

CME will process the inbound account transmission file as often as received by the firms. If any error (i.e. missing information, etc) occurs while processing the records, CME will provide the firms a file detailing the reasons why the accounts have been rejected. Fee Administrators may also review rejections online as well. The Rejected accounts file will be put on the CME's FTP server; please refer to the data file schema example below:

IN '/cme/ftp/XXX/Outgoing' → FXXX.CMEDATA.DREJ - Rejected Account changes

Note: *"XXX" represents the Firm's ID*

Step 5: Other Details

- a) **File Layouts** – For a copy of the file layouts, please contact the Fee Support Hotline at 312-648-5470 or efsadmin@cme.com.
- b) **Transmission** – Determination of frequency will be per firm's needs (i.e. Daily, Weekly or Monthly)
- c) **File Format** – Standard flat files; this will not be in FIXML format.